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**TO: Economic Support Supervisors
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**FROM: Amy Mendel-Clemens
Communications Section
Bureau of Health Care Eligibility**

BHCE/BWP OPERATIONS MEMO

No.: 03-56

Date: 09/19/2003

Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: HIGH

**SUBJECT: ELECTRONIC BENEFIT TRANSFER (EBT) ACCOUNT
ADJUSTMENTS**

CROSS REFERENCE: FS Handbook 24.02.17.03.
7CFR274.12(g)(4)(ii)(B)

EFFECTIVE DATE: September 19, 2003

PURPOSE

This memo describes the Electronic Benefit Transfer (EBT) adjustment procedures for the Food Stamp Program.

BACKGROUND

During normal EBT transaction processing, settlement of the transaction is completed when the retail food store has been properly credited for an amount equal to the amount debited (subtracted) from the household's EBT account. System malfunctions can cause an interruption to this process, resulting in an error in the redemption process. These system malfunctions may occur at any point in the process, including:

1. Point of service (POS) device.
2. Store's host computer.
3. Transaction routing to the database.
4. The EBT host system.

An adjustment must be made to correct the error. A system malfunction can also occur when a retail food store processes a credit to return an amount to the household's EBT account and debit the store's account.

CLIENT INITIATED ADJUSTMENTS

Wisconsin QUEST cardholders call recipient customer service at 1-877-415-5164 to dispute a transaction. The dispute procedure is described in FS Handbook Appendix 24.02.17.03.

Clients have 90 calendar days from the date of error to initiate a correction request (claim). Client initiated credit adjustments must be adjudicated and processed within 15 calendar days from the date the household reports the error. This timeframe also applies if the State agency or entity other than the household discovers a system error that requires a credit adjustment to the household.

RETAILER INITIATED ADJUSTMENTS

Citicorp Electronic Financial Services Inc. (CEFS) researches and processes adjustment requests initiated by retailers or Wisconsin QUEST cardholders.

Retailer initiated adjustments must be acted upon to debit a household's account no later than 15 calendar days from the date the system error occurred. The retailer is allotted nine calendar days and CEFS is allotted six calendar days to report, approve/deny and process a correction request. CEFS will reject **debit** correction requests from retailers that are submitted after the 15 calendar day timeframe.

Credit corrections are not held to the same 15 calendar time frame. CEFS will not reject **credit** correction requests submitted from retailers after the 15 calendar day time frame. CEFS will process credit adjustments due to households within six calendar days of their receipt.

NEW PROCEDURE FOR DEBIT ADJUSTMENTS

The following describes the new debit adjustment procedure effective September 22, 2003:

- CEFS will act upon all debit adjustment requests no later than 15 calendar days from the date the error occurred. When CEFS opens an adjustment claim on their system, they will send a claim activity file to DHFS identifying the debit claims.
- DHFS/EBT staff will create a CARES notice (NAAJ) to the household based on the information provided in the claim activity file. The household's notice will provide specific detailed information about the error transactions and will advise the household of the right to a fair hearing. You can view the EBT Adjustment notice (NAAJ) on the CARES Notice History Screen (CNHS) for the case. It will be at the end of all of the CARES-generated notices. (See sample notice.)

- If the client does not request a fair hearing within 15 calendar days of reporting an error, the CEFS system will automatically begin the collection process. If the account does not contain sufficient funds to cover the entire debit adjustment amount, the system will attempt daily to make the adjustment until the end of the next calendar month. No debit adjustment will occur unless the account contains a sufficient balance for the total amount of the adjustment.
- If the client requests a fair hearing within the 15 calendar day time frame, no further action will be taken to debit the household's account until the fair hearing decision is rendered. The Division of Hearings and Appeals (DHA) will notify DHFS/EBT staff of the fair hearing request. DHFS/EBT staff will enter the fair hearing request on the EBT Administrative System to notify CEFS that a hearing has been requested.
- If the fair hearing decision is rendered in the client's favor, no further action is needed if the debit adjustment had not been processed. If a debit adjustment had been processed, DHFS/EBT staff will request a credit adjustment to the household's EBT account.
- If the fair hearing decision is rendered in favor of the State agency and no debit adjustment had occurred, collection activity will begin immediately against the current account balance. DHFS/EBT staff will notify CEFS through the EBT Administrative System to re-open the adjustment. The CEFS system will attempt daily to make the adjustment. No debit adjustment will occur unless the account has a sufficient balance to complete the total amount of the adjustment by the end of the next calendar month.

AGENCY ACTION REGARDING A FAIR HEARING REQUEST

If the Request for Fair Hearing form (DHA-28) is sent to your agency, immediately forward it to:

Department of Administration
Division of Hearings and Appeals
PO Box 7875
Madison, WI 53707-7875

If you receive an oral request for a hearing, put the household's request in writing and immediately forward it to OAH. Follow the same procedures as if you had received a written request. Refer to Income Maintenance Manual Chapter 2, Part G.

CLIENT TRAINING

The Wisconsin Food Stamp Program, Eligibility and Benefits pamphlet (PHC16012) states "If you notice a mistake in your account balance, immediately call the toll-free QUEST customer service helpline." We will add information regarding adjustments to this pamphlet and to the EBT Questions and Answers brochure (PHC 16008).

Continue to emphasize to clients that they know the balance in their EBT account and keep receipts. Advise them to call recipient customer service at any time to get their last 10 transactions or request a written history of purchases and deposits to their account for the past two calendar months. Assist them if they need help to call and talk to a customer service representative to dispute a transaction. FS Handbook Appendix 24.02.17.01 describes the steps to call customer service.

CEFS INFORMATION

An adjustment status update screen and adjustment search screen will be available only to state EBT staff.

Staff with query access to the CEFS system can view transaction information for the past 90 days on the Detail Journal Inquiry screen. You can identify error prone transactions (multiple transactions completed or denied in a short period of time) based on the date and time stamp, store name and identical transaction amounts.

The Detail Journal Inquiry screen will identify adjustments. Debit adjustments have a transaction type code of 3,1. Credit adjustments have a transaction type code of 2,1. There has been no change to these codes. Refer to FS Handbook Appendix Chapter 24.03.03.04 for Detail Journal Inquiry screen information.

Questions about a specific EBT adjustment notice should be directed to:

Judy Woelfel
Phone: (608)266-3747
E-mail: woelfja@dhfs.state.wi.us
Fax: (608)267-2269

Or: Tim Burnett
Phone: (608)267-4573
E-mail: burnettf@dhfs.state.wi.us
FAX: (608)267-2269

CONTACTS

BHCE CARES Information & Problem Resolution Center

Email: carpolcc@dwd.state.wi.us
Telephone: (608) 261-6317 (Option #1)
Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.

DHFS/DHCF/BHCE/JW

**Food Stamp Quest Card
Electronic Benefit Transaction (EBT) Adjustment**

**Sample Notice of Decision
State of Wisconsin**

Agency Name
Agency Address

Date:
Case Name:

Questions: Ask your worker.

Case Number:

Worker Name:

Worker No:
Telephone:

Client name
Client Address

Client name,

A problem occurred during the electronic process in a recent purchase and your Food Stamp EBT account was not debited. This means the store was not paid from your Food Stamp account for this purchase.

QUEST Card # (16 digits)
Date of Transaction for \$(amount)
Retailer name
Retailer address

To correct this error, your food stamp account will be adjusted. We will debit your account for the above amount to correct this error and pay the store. You do not have to do anything. Your food stamp account will be debited at the earliest opportunity. If there are not enough benefits in your account to pay the adjustment now, the entire amount will be collected from your next month's benefits. No further efforts will be made to debit your account beyond this time period.

If, for some reason you disagree with this action, you may request a Fair Hearing within 90 days from the date of this notice. However, if the hearing request is received by the Division of Hearings and Appeals prior to (MMDDYY), no debit will be made to your EBT account until the hearing is held and a final decision is made. If the fair hearing decision is not in your favor, your account will be debited for the amount above.

You may request a Fair Hearing in writing or in person with the agency listed on the front of this notice. You may also write to the Department of Administration, Division of Hearings and Appeals, PO Box 7875, Madison, WI 53707-7875.

If you have questions about this action, contact your worker.